



*United States Attorney  
Southern District of New York*

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**FORMER PRESIDENT AND CEO OF TAKARA BELMONT, USA  
PLEADS GUILTY TO \$114 MILLION BANK FRAUD**

JAMES B. COMEY, the United States Attorney for the Southern District of New York, announced that TAKAHIKO YANAGIHARA, the former president and chief executive officer of Takara Belmont, USA, Inc., pled guilty in Manhattan federal court late Tuesday to conspiring to fraudulently obtain more than \$114 million in bank loans for Takara Belmont, USA, Inc. Takara Belmont, USA sells and distributes beauty salon chairs, dental chairs, and related equipment, and is the wholly-owned United States subsidiary of Takara Belmont, Corp., a privately-held Japanese company.

According to the charges filed in this case, YANAGIHARA conspired with others to submit false financial statements and make misrepresentations to the New York branches of ten Japanese banks and one New Jersey Bank in order to obtain more than \$114 million in bank loans. Over a period of more than 12 years, YANAGIHARA regularly prepared and had another person prepare

Takara Belmont, USA's financial statements so that those records falsely understated the full extent of outstanding notes payable from Takara Belmont, USA to the various lending banks, and falsely concealed the existence of loans by certain of the lending banks to Takara Belmont, USA. According to the charges, these financial statements understated Takara Belmont, USA's net liabilities by as much as approximately \$90 million. Upon his arrest, YANAGIHARA stated that between 1972 and 2001, because of the large losses suffered by Takara Belmont USA, the company borrowed the large sums of money from the various Japanese banks in order to keep the company operating.

YANAGIHARA resigned as president of Takara Belmont USA on January 29, 2001, following the discovery of the fraud.

YANAGIHARA, 75, resides in Manhattan.

YANAGIHARA faces a maximum sentence of 5 years in prison and a fine of \$1 million, and will be sentenced by United States District Judge ALVIN K. HELLERSTEIN on July 25, 2003 at 11:00 a.m.

Mr. COMEY is a member of the President's Corporate Fraud task force. The Task Force is chaired by Deputy Attorney General LARRY THOMPSON, and was created by President BUSH last summer to combat white collar crime.

Assistant United States Attorney MARK F. MENDELSON is in charge of the prosecution.

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